

**Minutes**  
**Catawba County Board of Commissioners**  
**Special Session**  
**Monday, October 17, 2005, 3:30 P.M.**

**Catawba County Board of Education**

Special Meeting with Catawba County Board of Education

87 10/17/05

The Catawba County Board of Commissioners met in Special Session on Monday, October 17, 2005, at 3:30 p.m. in the Second Floor Meeting Room of the Government Center, Newton. The purpose of the special meeting was a joint meeting with the Catawba County Board of Education.

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Lynn M. Lail, Glenn E. Barger and Barbara G. Beatty.

Absent: None

A quorum was present.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Joellen J. Daley, Assistant County Manager Lee Worsley, County Attorney Robert O. Eades and County Clerk Barbara E. Morris.

Catawba County Board of Education members present were Charlie Wyant, Steve Hilton, Joyce Spencer, Betty Blackburn, Mark Sigmon, Sherry Butler, Crystal Davis, Dr. Tim Markley, Mark Bumgarner, Ernest Williams, Judith Ray, Pat Hensley, Sandra Wolfe and Dr. Doyle Brinson.

Chair Katherine W. Barnes called the meeting to order 3:32 p.m. and noted the League of Municipalities was holding their meeting in town and a number of the Board members had been there and County Manager J. Thomas Lundy would be joining the current meeting late due to his participation on a panel at the League meeting which was to last until 3:30.

Chair Barnes then called on Catawba County Board of Education Chairman Charlie Wyant to call their meeting to order. Chair Wyant called the meeting to order and stated they had one member who had not yet arrived. He said they appreciated the Board of Commissioners being willing to meet. Chair Barnes stated this was a meeting of information for the Board of Commissioners and at the last County Commissioners Meeting they had a presentation from the Council of Governments on student population and future projections and asked Dr. Markley to begin this meeting's presentation.

Dr. Markley said he wanted to talk about the long-range plans and redistricting.

Dr. Markley said they had looked at their long-range plans and reviewed sections of it. They found they had a number of growth areas in the County with Bandys being the fastest growing area and the next largest growing area was the St. Stephens/Hickory. He pointed out that when they talk about the schools, they are talking about the capacity and anything over 110% is above capacity and then trailers have to be added and floating teachers utilized. Bandys, Sherrills Ford, Campbell, Sweetwater and Arndt are all over 110% capacity.

There are currently 54 trailers utilized as classrooms in the system. Looking at short term needs, Dr. Markley said the system needs three elementary schools – Catawba School to replace the current 6<sup>th</sup> grade, St. Stephen's area elementary school to replace Sweetwater and another elementary in the Sherrills Ford/Denver area. Some classrooms, athletic fields and the cafeteria need attention at Bunker Hill. To address growth in Bandys, there needs to be classroom additions and the size of the cafeteria enlarged. Additional classrooms are needed in Sherrills Ford and Arndt needs additional classrooms and updating of the administrative complex. Both Fred T. Foard and St. Stephens needs the tracks refurbished.

Looking at long-term needs, Banoak will need a new elementary school. Bandys, Bunker Hill and Foard will need a new auxillary gyms to bring them in line with other schools and Campbell needs a new cafeteria.

Dr. Markley said they had a dilemma. They had money left from the last round of County funding – approximately \$9 million. They have Catawba Intermediate which was budgeted at \$9 million and now the cost is up to approximately \$11.4 million and with inflation and hurricane construction that number is only going to increase and then there is the list of small projects. The Catawba Intermediate addresses some immediate growth problems down in the Sherrills Ford area and brings it in line with the facilities plan (K-6 district wide). Dr. Markley said it may be the best opportunity to build the school since most of the money is sitting in the pot and if its used to fund small projects, there is a question when there would be the money to build that elementary school. The downside of spending all the money on this school is there would be no money to do any of the other small projects.

If that pot of money is used for small projects, solving some short term issues, that money will give about three years of coverage in handling the students currently in the system but would not address long term growth. Even doing just the small projects, the money would not cover all of them and there would be no coverage beyond three years.

Regarding funding for any future costs, the ½ cent local option tax is still sitting in the legislature and will be acted upon in the short session in May. That would still require a County vote to enact that ½ cent sales tax. Dr. Markley stated there was not enough money from the projected lottery proceeds to fund construction. The way the lottery funds are distributed, education as a whole will only see about 16 cents out of every dollar that goes into the lottery. Half of that will go to fund people who win, administrative costs and early education so in terms of real dollars coming to education is 16 cents and construction is only allotted about 40% of that amount. Those construction dollars are based on two things – average daily membership and then 35% of the construction dollars are based on need and that need is measured by the county tax rate. So since Catawba County has a low county tax rate, there is not a perceived need there for construction dollars. The County has been sent an estimate which states they currently get \$1 million in terms of capital money and they are projecting that to go to \$1.8 when the lottery is up and running fully.

County Manager Lundy asked at this point that time be reserved to discuss redistricting and time be limited on discussing any specific building needs or projects.

Dr. Markley moved onto redistricting. He pointed out as part of the redistricting, all of Startown will now be in the Maiden High School District. Some students who are currently going to Startown Elementary will be shifted to Maiden Elementary and a small portion of the students who used to be Maiden Elementary will now go to the new Tuttle Elementary. Some students who used to go to Balls Creeks will now go to Tuttle and a small group of students who went to Sherrills Ford will now go to the Catawba Elementary district.

Two small areas of Sherrills Ford move into the Balls Creek district and a very small area that was going to Oxford Elementary will now go into the Bunker Hill District. Chair Barnes asked why no students were moved into Foard High School since there had been such a large expansion to that high school and there seemed to be considerable available space. Dr. Markley said if you considered the growth in Mt. View and the Blackburn district, it would fill that school up somewhat. He noted if the COG numbers were looked at, all three high schools – Maiden, Bandys and Foard – will average 1100 students by 2011 (Foard is currently 1225 capacity). Chair Barnes pointed out that the existing capacity is not currently being taken advantage of with this plan. Sherry Butler pointed out while there was some added space, there currently was not enough cafeteria to feed the current students. Dr. Markley pointed out with the redistricting, Foard would be at 96% capacity, Bandys would be at 115% capacity and Maiden would be at 105% capacity by 2011.

County Manager Lundy said the 110% capacity cap was set somewhat arbitrarily when the County was trying to control the growth when a bond issue had failed. Mr. Lundy said he was curious of reactions from school board members if that is still considered a good cap. Dr. Markley said in a perfect world, 100% cap would be great but realistically 110% has worked for this district for the last two years so that would be the number he would recommend. Another school member pointed out that the 110% could start challenging the school if it were an older school like Sweetwater and Mill Creek.

Dr. Markley said the redistricting plan is predicated on the new high school being completed and the renovations at Bandys - the cafeteria needs to be redone and additional classroom are needed for growth and Mt. View is growing faster than projected.

Chair Barnes asked Dr. Markley to give them an idea of where they were with the ADM at the present time and if it was in excess of what the State had projected. Dr. Markley said they were probably within 100 students of where the state had put them – they are currently 17,141. COG numbers projected them at 18,879 by 2011.

Dr. Markley was asked how many of the schools had the 6<sup>th</sup> grade out of the school and he replied they were all in the Bandys area – Balls Creek, Sherrills Ford and Claremont – with the Maiden district being taken care of this coming school year.

The financial and time aspects of the busing or shuttling of students were discussed and it was noted that it was not a desirable situation but with the factors involved, it is the most workable solution at this time. Dr. Markley noted the County was rated by the State with a 97% efficiency rating for its busing.

Commissioner Lail asked Dr. Markley when the numbers were done by COG for Sherrills Ford were they were based on the small area plan as it currently exists or were any extras added. Dr. Markley said the COG numbers are the most current set of numbers. Commissioner Lail reworded the question to ask if the growth numbers were based on the growth that would come from the small area plan. Dr. Markley said they looked at two things when compiling the numbers – the small area plan as well as what was currently with the planning board and the most current information they could get from the planning board. If they thought a subdivision was going to be approved, that number was incorporated in their figures. A school board member said the COG was very conservative with their numbers and Commissioner Lail agreed and said this was not really an accurate projection. Ernest Williams said the COG information was the best information they had ever had to help make the projections and Commissioner Lail agreed with this but Mr. Williams added this was not exacting and there were other factors that can impact the figures.

Commissioner Beatty noted the Catawba school was needed but the fund was \$2 million short and could \$2 million be saved on the project and also questioned another bond referendum. Dr. Markley replied that the longer they waited to build the school, the more costly it will become and it would serve the immediate needs in that area and felt the same way regarding the additional classrooms at Bunker Hill. A school board member stated he believed the chances of passing a bond was greater now than it had been in the past because it was not just one system or one thing that was needed, but needs throughout the system. Dr. Markley said technology had not even been addressed – they had just talked about buildings – and the county's equipment was falling behind. He said if a bond was going to be considered, technology needed to be included in that package.

Vice-Chair Hunsucker said he thought that the information regarding the lottery and the small percentage that would be allotted to education construction needed to be disseminated to the public so they understood the lottery would not be a cure all for education funds. Commissioner Barger asked if there were going to be restriction on the monies that came from the lottery and Dr. Markley said a good chunk was going for need based college scholarships so that money wouldn't be coming in the K-12 system and another huge chunk was going to early education. Another chunk was going to class size reduction which would result in either a reduction in current class size reduction money or they would give them more class size reduction money and reduce the class sizes in grades 4, 5 and 6 – and then the result would be not enough classrooms to put those teachers in. Commissioner Barger asked what kind of restrictions would be on the 16 cents from the lottery dollars and Dr. Markley said he thought they would be what the current restriction are on the other capital money received from the state.

Chair Barnes said she understood under the current budget that the State had removed the right of the school to get a return on their sales tax and asked what that would equate to. Sandra Wolfe indicated that their refund for last year was \$820,000 and about \$200 - \$250 of that was capital and while they were building Maiden High School they were anticipating the sales tax refund as a revenue source. Chair Barnes pointed out the ability for the County Commissioners to have the ½ cent sales tax as a source of revenue as been one of their priorities but she was in a board meeting the prior week and it was not sounding very positive that the ½ cent would be considered at the short session.

Commissioner Beatty asked how close they were to selling the St. Stephen's elementary school property and Crystal Davis updated those present on the current negotiations. They had received their third offer but the problem with the offers were that they were commensurate with the tax value on the property but everyone who made an offer was asking that they be allowed a 90 day inspection period which allowed them to walk away and have most of their required 5% deposit refunded and the other problem was that they want a non-refundable deposit at the \$50,000 level and that was tied to a condition on the offer to purchase and contract which stated that in the event they are not able to get zoning approved and site plan approved, then the majority of the deposit would be refundable to them.

She noted that they were looking at not only the 90 day inspection period but for them to complete the site plans and get zoning approved there is about 9 months that the property would be tied up. Ms. Davis said the question was whether they wanted to tie up the property for 9 months and the offer they received last week was the same scenario and same conditions as those they had previously received but also noted that their realtors had advised them these demands were completely typical.

Chair Barnes then asked the School Board if they had talked to the other two school systems about the issue of the school bonds and what those systems had planned. It was indicated there had been no formal sit down to discuss the matter. County Manager Lundy said that what they were talking about administratively was that in 2006 they would begin to look at the needs of the three systems and CVCC and then schedule a proposal which would take them to 2007 in terms of payments.

Chair Barnes said that she had heard basically two proposals – one being using the existing funding - the \$9 million – for small projects or building an elementary school. She asked how the School Board viewed this. The response was they did not want to put band-aids on wounds that needed stitches – so the \$9 million should not be spread around but should be used for a long range fix. The consensus was that Catawba Elementary and Bunker Hill were immediate needs.

Commissioner Lail asked what amount of money was needed to do what they wanted – Dr. Markley indicated \$1.3 million for the Bunker Hill Project (only Phase IA – classroom portion only) (both Phases would be \$3.2 million) and \$11.4 for the Catawba Elementary Project. Dr. Markley stated these figures did not include updating technology.

Commissioner Beatty pointed out that the Board of Commissioners had tried to control growth but they had limited control over all of this. Dr. Markley noted that the County had been a good partner with them and hoped that would continue.

Chair Barnes said the Board understood all these issues but also acknowledged the limitations placed on County Commissioners by the will of the people and she hoped there would be more passion expressed regarding a bond and that would be where everyone would be involved but her concern was that they don't have needs that are as strong in the other two systems and that creates some issues in terms of moving forward with a bond issue.

Commissioner Barger said he wanted to clarify what he was hearing – the School Board said they needed \$5.6 million before 2007 – and this does include technology. Dr. Markley said if they did not go to bid on Catawba Elementary by January 2006, it would not be completed on time. Chair Barnes said that they were then asking for something this fiscal year and she did not know they were in a position to make any dramatic changes to the budget.

Both Boards expressed their gratitude for the opportunity to meet.

The meeting recessed at 5:00 p.m.

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Katherine W. Barnes, Chair  
Board of Commissioners

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Barbara E. Morris, County Clerk